UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

(Mark One)

☑	**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**
	For the quarterly period ended July 30, 2005

OR

o	**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**
	For the transition period from___to ___

Commission File No. 1-7819

Analog Devices, Inc.
(Exact name of registrant as specified in its charter)

Massachusetts *(State or other jurisdiction of incorporation or organization)*	**04-2348234** *(I.R.S. Employer Identification No.)*
One Technology Way, Norwood, MA *(Address of principal executive offices)*	**02062-9106** *(Zip Code)*

(781) 329-4700
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☑ NO o

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). YES ☑ NO o

As of July 30, 2005 there were 372,402,963 shares of Common Stock, $0.16 2/3 par value per share, outstanding.

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ANALOG DEVICES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(thousands, except per share amounts)

	Three Months Ended	
	July 30, 2005	July 31, 2004
Net sales	$582,416	$717,793
Cost of sales	244,178	287,271
Gross margin	338,238	430,522
Operating expenses:		
Research and development	119,217	133,536
Selling, marketing, general and administrative	84,407	89,162
	203,624	222,698
Operating income	134,614	207,824
Nonoperating (income) expenses:		
Interest expense	—	146
Interest income	(19,156)	(9,576)
Other, net	94	523
	(19,062)	(8,907)
Income before income taxes	153,676	216,731
Provision for income taxes	32,272	47,681
Net income	$121,404	$169,050
Shares used to compute earnings per share — basic	370,985	377,144
Shares used to compute earnings per share — diluted	382,830	394,203
Earnings per share — basic	$ 0.33	$ 0.45
Earnings per share — diluted	$ 0.32	$ 0.43
Dividends declared per share	$ 0.10	$ 0.06

See accompanying notes.

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ANALOG DEVICES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(thousands, except per share amounts)

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Net sales	$1,766,678	$2,001,676
Cost of sales	746,513	824,167
Gross margin	1,020,165	1,177,509
Operating expenses:		
Research and development	373,393	382,644
Selling, marketing, general and administrative	253,561	253,682
	626,954	636,326
Operating income	393,211	541,183
Nonoperating (income) expenses:		
Interest expense	22	180
Interest income	(50,403)	(23,308)
Other, net	568	2,792
	(49,813)	(20,336)
Income before income taxes	443,024	561,519
Provision for income taxes	96,578	123,047
Net income	$ 346,446	$ 438,472
Shares used to compute earnings per share — basic	372,407	374,687
Shares used to compute earnings per share — diluted	384,425	394,053
Earnings per share — basic	$ 0.93	$ 1.17
Earnings per share — diluted	$ 0.90	$ 1.11
Dividends declared per share	$ 0.22	$ 0.14

See accompanying notes.

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ANALOG DEVICES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(thousands)

	July 30, 2005	October 30, 2004
Assets		
Cash and cash equivalents	$ 248,053	$ 518,940
Short-term investments	2,535,833	2,166,030
Accounts receivable, net	296,080	329,499
Inventories:		
Raw materials	13,022	11,281
Work in process	242,751	226,106
Finished goods	87,915	108,516
	343,688	345,903
Deferred tax assets	108,000	111,585
Prepaid expenses and other current assets	62,704	56,654
Total current assets	3,594,358	3,528,611
Property, plant and equipment, at cost:		
Land and buildings	335,526	319,128
Machinery and equipment	1,316,342	1,300,185
Office equipment	84,027	89,205
Leasehold improvements	107,932	106,826
	1,843,827	1,815,344
Less accumulated depreciation and amortization	1,226,789	1,147,565
Net property, plant and equipment	617,038	667,779
Deferred compensation plan investments	280,601	318,551
Other investments	3,012	3,854
Goodwill	163,373	163,373
Intangible assets, net	4,031	6,009
Other assets	29,092	31,906
Total other assets	480,109	523,693
	$4,691,505	$4,720,083

See accompanying notes.

ANALOG DEVICES, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(thousands, except share amounts)

	July 30, 2005	October 30, 2004
Liabilities and Shareholders' Equity		
Accounts payable	$ 113,750	$ 126,845
Deferred income on shipments to distributors	127,068	157,951
Income taxes payable	193,652	157,511
Accrued liabilities	107,863	124,695
Total current liabilities	542,333	567,002
Deferred income taxes	10,000	10,716
Deferred compensation plan liability	282,628	322,304
Other non-current liabilities	21,825	20,489
Total non-current liabilities	314,453	353,509
Commitments and Contingencies		
Shareholders' Equity		
Preferred stock, $1.00 par value, 471,934 shares authorized, none outstanding	—	—
Common stock, $0.16 2/3 par value, 1,200,000,000 shares authorized, 372,402,963 shares issued and outstanding (375,840,444 on October 30, 2004)	62,068	62,641
Capital in excess of par value	551,847	759,551
Retained earnings	3,238,207	2,973,631
Accumulated other comprehensive (loss) income	(17,403)	3,749
Total shareholders' equity	3,834,719	3,799,572
	$4,691,505	$4,720,083

See accompanying notes.

ANALOG DEVICES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(thousands)

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Cash flows from operating activities:		
Net income	$ 346,446	$ 438,472
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation	115,127	112,163
Amortization of intangibles	2,041	2,033
Loss on sale of investment	—	1,676
Deferred income taxes	8,937	30,296
Other non-cash expense	4,539	7,813
Changes in operating assets and liabilities	(4,705)	3,456
Total adjustments	125,939	157,437
Net cash provided by operating activities	472,385	595,909
Cash flows from investing activities:		
Purchases of short-term available-for-sale investments	(2,581,828)	(3,330,670)
Maturities of short-term available-for-sale investments	2,195,129	2,612,201
Proceeds from sale of investment	—	35,574
Additions to property, plant and equipment, net	(64,428)	(107,949)
Decrease in other assets	1,668	2,698
Net cash used for investing activities	(449,459)	(788,146)
Cash flows from financing activities:		
Repurchase of common stock	(284,697)	—
Net proceeds from employee stock plans	72,398	108,796
Dividend payments to shareholders	(81,870)	(52,441)
Net cash (used for) provided by financing activities	(294,169)	56,355
Effect of exchange rate changes on cash	356	1,323
Net decrease in cash and cash equivalents	(270,887)	(134,559)
Cash and cash equivalents at beginning of period	518,940	517,874
Cash and cash equivalents at end of period	$ 248,053	$ 383,315

See accompanying notes.

ANALOG DEVICES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED JULY 30, 2005
(all tabular amounts in thousands except per share amounts and percentages)

Note 1 — Basis of Presentation

In the opinion of management, the information furnished in the accompanying condensed consolidated financial statements reflects all normal recurring adjustments that are necessary to fairly state the results for these interim periods and should be read in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended October 30, 2004 and related notes. The results of operations for the interim periods shown in this report are not necessarily indicative of the results that may be expected for the fiscal year ending October 29, 2005 or any future period.

The Company has a 52-53 week fiscal year that ends on the Saturday closest to the last day in October. Fiscal 2005 and fiscal 2004 are 52-week fiscal years.

Certain amounts reported in previous years have been reclassified to conform to the fiscal 2005 presentation. Such reclassifications were immaterial.

Note 2 — Stock-Based Compensation

As permitted by Statement of Financial Accounting Standards (SFAS) 148 and SFAS 123, the Company applies the accounting provisions of Accounting Principle Board Opinion No. 25, *Accounting for Stock Issued to Employees*, and related interpretations, with regard to the measurement of compensation cost for options granted under the Company's equity compensation plans, consisting of the 2001 Broad-Based Stock Option Plan, the 1998 Stock Option Plan, the Restated 1994 Director Option Plan, the Restated 1988 Stock Option Plan, the 1992 Employee Stock Purchase Plan and the 1998 International Employee Stock Purchase Plan.

On March 29, 2005 the SEC released Staff Accounting Bulletin No. 107 *Share-Based Payment*, (SAB 107), which interpreted SFAS 123(R). Based on this regulatory guidance the company has reevaluated the methods and assumptions used to estimate the value of employee stock options granted in fiscal 2005. Management believes that implied volatility more accurately measures expected volatility due to the fact that it is generally reflective of both historical volatility and expectations of how future volatility will differ from historical volatility. Management believes that estimations of the value of employee stock options granted using implied volatility will result in the best estimate of expected volatility. The fair value of the Company's stock-based awards to employees was estimated using the following weighted average assumptions:

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Expected term (in years)	5.0	5.8
Risk free interest rate	3.6%	3.5%
Expected stock price volatility	27.4%	69.2%
Expected dividend yield	0.7%	0.4%

Had expense been recognized using the fair value method described in SFAS 123, using the Black-Scholes option-pricing model, the Company would have reported the following results of operations:

	Three Months Ended	
	July 30, 2005	July 31, 2004
Net income, as reported	$ 121,404	$ 169,050
Add: stock-based employee compensation expense included in reported net income, net of related tax effects	1,029	1,678
Deduct: total stock-based compensation expense determined under the fair value based method for all awards, net of related tax effects	(49,793)	(55,394)
Pro forma net income	$ 72,640	$ 115,334
Earnings per share:		
Basic — as reported	$ 0.33	$ 0.45
Basic — pro forma	$ 0.20	$ 0.31
Diluted — as reported	$ 0.32	$ 0.43
Diluted — pro forma	$ 0.19	$ 0.29

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Net income, as reported	$ 346,446	$ 438,472
Add: stock-based employee compensation expense included in reported net income, net of related tax effects	3,033	4,464
Deduct: total stock-based compensation expense determined under the fair value based method for all awards, net of related tax effects	(136,434)	(158,204)
Pro forma net income	$ 213,045	$ 284,732
Earnings per share:		
Basic — as reported	$ 0.93	$ 1.17
Basic — pro forma	$ 0.57	$ 0.76
Diluted — as reported	$ 0.90	$ 1.11
Diluted — pro forma	$ 0.55	$ 0.72

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Note 3 — Comprehensive Income

Components of comprehensive income include net income and certain transactions that have generally been reported in the consolidated statement of shareholders' equity and consist of the following:

	Three Months Ended	
	July 30, 2005	July 31, 2004
Net income	$121,404	$169,050
Foreign currency translation adjustments	(1,549)	(188)
Unrealized holding losses (net of taxes of $783 and $958, respectively) on securities classified as Short-term Investments	(1,456)	(1,779)
Unrealized holding gains (losses) (net of taxes of $0 and $667, respectively) on securities classified as Other Investments	2	(1,237)
Change in unrealized losses on derivative instruments designated as cash flow hedges	(7,652)	(2,713)
Other comprehensive loss	(10,655)	(5,917)
Comprehensive income	$110,749	$163,133

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Net income	$346,446	$438,472
Foreign currency translation adjustments	(886)	31
Unrealized holding losses (net of taxes of $5,913 and $4,252, respectively) on securities classified as Short-term Investments	(10,983)	(7,895)
Change in unrealized (losses) gains on securities classified as Other Investments:		
Unrealized holding (losses) gains (net of taxes of $295 and $528, respectively) on securities classified as Other Investments	(547)	981
Less: reclassification adjustment for loss included in net income	—	1,090
Net unrealized holding (losses) gains on securities classified as Other Investments	(547)	2,071
Change in unrealized losses on derivative instruments designated as cash flow hedges	(8,736)	(2,994)
Other comprehensive loss	(21,152)	(8,787)
Comprehensive income	$325,294	$429,685

The components of accumulated other comprehensive (loss) income at July 30, 2005 and October 30, 2004 consisted of the following:

	July 30, 2005	October 30, 2004
Unrealized (losses) gains on available-for-sale securities	$(11,441)	$ 89
Unrealized (losses) gains on derivative instruments	(6,641)	2,095
Minimum pension liability adjustment	(3,606)	(3,606)
Foreign currency translation adjustment	4,285	5,171
Total accumulated other comprehensive (loss) income	$(17,403)	$ 3,749

Note 4 — Short-term investments

The Company's short-term investments are adjusted to fair market value at the end of each quarter. Unrealized gains and losses, net of tax, on these securities are included in accumulated other comprehensive (loss) income, which is a separate component of shareholders' equity.

Note 5 — Earnings Per Share

Basic earnings per share is computed using only the weighted average number of common shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of common shares outstanding during the period, plus the dilutive effect of potential future issuances of common stock relating to stock option programs and other potentially dilutive securities. In calculating diluted earnings per share, the dilutive effect of stock options is computed using the average market price for the respective period. Potential shares related to certain of the Company's outstanding stock options were excluded because they were anti-dilutive. Those potential shares related to the Company's outstanding stock options could be dilutive in the future. The following table sets forth the computation of basic and diluted earnings per share:

	Three Months Ended	
	July 30, 2005	July 31, 2004
Basic:		
Net income	$121,404	$169,050
Weighted shares outstanding	370,985	377,144
Earnings per share	$ 0.33	$ 0.45
Diluted:		
Net income	$121,404	$169,050
Weighted shares outstanding	370,985	377,144
Assumed exercise of common stock equivalents	11,845	17,059
Weighted average common and common equivalent shares	382,830	394,203
Earnings per share	$ 0.32	$ 0.43
Anti-dilutive common stock equivalents related to:		
Outstanding stock options	37,998	14,171

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Basic:		
Net income	$346,446	$438,472
Weighted shares outstanding	372,407	374,687
Earnings per share	$ 0.93	$ 1.17
Diluted:		
Net income	$346,446	$438,472
Weighted shares outstanding	372,407	374,687
Assumed exercise of common stock equivalents	12,018	19,366
Weighted average common and common equivalent shares	384,425	394,053
Earnings per share	$ 0.90	$ 1.11
Anti-dilutive common stock equivalents related to:		
Outstanding stock options	45,037	5,621

Note 6 — Segment Information

The Company operates and tracks its results in one reportable segment. The Company designs, develops, manufactures and markets a broad range of integrated circuits. The Chief Executive Officer has been identified as the Chief Operating Decision Maker as defined by Statement of Financial Accounting Standards No. 131, *Disclosures about Segments of an Enterprise and Related Information*.

Note 7 — New Accounting Standards

Accounting Changes and Error Corrections

In May 2005, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) SFAS No. 154, *Accounting Changes and Error Corrections* ("SFAS 154") which supersedes APB Opinion No. 20, *Accounting Changes* and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements.* SFAS 154 provides guidance on the accounting for and reporting of accounting changes and error corrections. It establishes, unless impracticable, retrospective application as the required method for reporting a change in accounting principle in the absence of explicit transition requirements specific to the newly adopted accounting principle. The correction of an error in previously issued financial statements is not an accounting change. However, the reporting of an error correction involves adjustments to previously issued financial statements similar to those generally applicable to reporting an accounting change retroactively. Therefore, the reporting of a correction of an error by restating previously issued financial statements is also addressed by this Statement. SFAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. The Company does not expect the adoption of SFAS 154 to have a material impact on its consolidated results of operations and financial condition.

Asset Retirements

In March 2005, the FASB issued FASB Interpretation No. 47 (FIN 47), *Accounting for Conditional Asset Retirement Obligations – an interpretation of FASB Statement No. 143.* FIN 47 clarifies that the term conditional asset retirement obligation as used in SFAS No. 143, *Accounting for Asset Retirement Obligations*, refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and (or) method of settlement. Uncertainty about the timing and (or) method of settlement of a conditional asset retirement obligation should be factored into the measurement of the liability when sufficient information exists. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. The Company is currently analyzing FIN 47 and believes the adoption of FIN 47 will not have a material impact on the Company's financial condition, results of operations or liquidity.

Nonmonetary Assets

In December 2004, the FASB issued SFAS No. 153, *Exchanges of Nonmonetary Assets – an amendment of APB Opinion No. 29* (SFAS 153). SFAS 153 is based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. SFAS 153 eliminates the exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. SFAS 153 is effective for nonmonetary asset exchanges in fiscal periods beginning after June 15, 2005. The Company is currently evaluating the provisions of SFAS 153 and does not believe that its adoption will have a material impact on the Company's financial condition, results of operations or liquidity.

Inventory Costs

In November 2004, the FASB issued SFAS No. 151, *Inventory Costs, an amendment of Accounting Research Bulletin (ARB) No. 43, Chapter 4* (SFAS 151). SFAS 151 amends the guidance in ARB No. 43, Chapter 4, "Inventory Pricing," to clarify that abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage) should be recognized as current-period charges. In addition, SFAS 151 requires that allocation of fixed production overhead to the costs of conversion be based on the normal capacity of the production facilities. The provisions of SFAS 151 are effective for fiscal years beginning after June 15, 2005. The Company is currently evaluating the provisions of SFAS 151 and does not believe that its adoption will have a material impact on the Company's financial condition, results of operations or liquidity.

Stock-Based Compensation

On December 16, 2004, the FASB issued SFAS 123 (revised 2004), *Share-Based Payment*, which is a revision of SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS 123(R)). SFAS 123(R) supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and amends SFAS No. 95, *Statement of Cash Flows*. Generally, the approach in SFAS 123(R) is similar to the approach described in SFAS 123. However, SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values at the date of grant. Pro forma disclosure is no longer an alternative.

SFAS 123(R) permits public companies to adopt its requirements using one of two methods. The "modified prospective" method in which compensation cost is recognized beginning with the effective date (a) based on the requirements of SFAS 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of SFAS 123 for all awards granted to employees prior to the effective date of SFAS 123(R) that remain unvested on the effective date. The "modified retrospective" method includes the requirements of the modified prospective method described above, but also permits entities to restate their historical financial statements based on the amounts previously recognized under SFAS 123 for purposes of pro forma disclosures either (a) all prior periods presented or (b) prior interim periods of the year of adoption. The Company has yet to determine which method to use in adopting SFAS 123(R).

As permitted by SFAS 123, the Company currently accounts for share-based payments to employees using APB Opinion No. 25's intrinsic value method and, as such, generally recognizes no compensation cost for employee stock options. Accordingly, the adoption of SFAS 123(R)'s fair value method will have a significant impact on the Company's results of operations, although it will have no impact on the Company's overall financial position. The Company is evaluating SFAS 123(R) and has not yet determined the amount of stock option expense that will be incurred in future periods.

On April 14, 2005, the Securities and Exchange Commission announced the adoption of a new rule that amends the compliance dates for SFAS 123(R). The new rule allows companies to implement SFAS 123(R) at the beginning of their next fiscal year, instead of the next reporting period, that begins after June 15, 2005. The Company expects to adopt SFAS 123(R) beginning in fiscal year 2006 on October 30, 2005, its first fiscal quarter.

Note 8 — Goodwill and Intangible Assets

In accordance with SFAS No. 142, *Goodwill and Other Intangible Assets*, the Company annually evaluates goodwill for impairment, or earlier if indicators of potential impairment exist and suggest that the carrying value of goodwill may not be recoverable. Because the Company has one reporting segment under SFAS 142, the Company utilizes the entity-wide approach for assessing goodwill for impairment and compares its market value to its net book value to determine if an impairment exists. No impairment of goodwill resulted from the Company's most recent evaluation of goodwill for impairment, which occurred in the fourth quarter of fiscal 2004. The Company's next impairment assessment is scheduled for the fourth quarter of fiscal 2005.

Intangible assets, which continue to be amortized, consisted of the following:

	July 30, 2005		October 30, 2004	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Technology-based	$16,923	$13,270	$16,923	$11,387
Tradename	1,167	789	1,167	696
Other	6,147	6,147	6,147	6,145
Total	$24,237	$20,206	$24,237	$18,228

Intangible assets are amortized on a straight-line basis over their estimated useful lives, which range from five to ten years. Amortization expense related to intangibles was $0.7 million for each of the three month periods ended July 30, 2005 and July 31, 2004, respectively, and $2.0 million for each of the nine month periods ended July 30, 2005 and July 31, 2004, respectively.

The Company expects amortization expense for these intangible assets to be:

Fiscal Years	Amortization Expense
Remainder of 2005	$ 328
2006	1,312
2007	1,312
2008	938
2009	141

Note 9 — Pension Plans

The Company has various defined benefit pension and other retirement plans for certain non-U.S. employees that are consistent with local statutory requirements and practices. The Company's funding policy for its foreign defined benefit pension plans is consistent with the local requirements of each country. The plans' assets consist primarily of U.S. and non-U.S. equity securities, bonds, property and cash.

Net periodic pension cost of non-U.S. plans is presented in the following table:

	Three Months Ended	
	July 30, 2005	July 31, 2004
Service cost	$ 2,020	$ 1,767
Interest cost	1,586	1,414
Expected return on plan assets	(1,776)	(1,618)
Amortization of prior service cost	45	44
Amortization of transitional obligation or (asset)	17	(10)
Recognized actuarial loss	158	88
Net periodic pension cost	$ 2,050	$ 1,685

	Nine Months Ended	
	July 30, 2005	July 31, 2004
Service cost	$ 6,280	$ 5,311
Interest cost	4,944	4,250
Expected return on plan assets	(5,540)	(4,868)
Amortization of prior service cost	141	134
Amortization of transitional obligation or (asset)	52	(26)
Recognized actuarial loss	490	260
Net periodic pension cost	$ 6,367	$ 5,061

Contributions of $1.6 million and $5.2 million have been made by the Company during the three and nine months ended July 30, 2005, respectively. The Company presently anticipates contributing an additional $2.2 million to fund its defined benefit pension plans in fiscal year 2005 for a total of $7.4 million.

Note 10 — Product Warranties

The Company generally offers a 12-month warranty for its products. The Company's warranty policy provides for replacement of the defective product. Specific accruals are recorded for known product warranty issues. Product warranty expenses were not material during the three and nine month periods ended July 30, 2005 and July 31, 2004.

Note 11 — Commitments and Contingencies

On June 14, 2005, Biax Corporation filed its first amended complaint for patent infringement in the United States District Court for the Eastern District of Texas against the Company and Intel Corporation, alleging that the Company infringed three patents owned by Biax relating to parallel processors. Prior to the filing of the first amended complaint, the Company was unaware of Biax or this action. The first amended complaint seeks injunctive relief, unspecified damages, as well as its costs, expenses and fees. On August 3, 2005, the Company filed an answer and counterclaimed against Biax. In the counterclaim, the Company seeks rulings that the patents are not infringed, are invalid and are unenforceable. The case has not yet entered the discovery phase. The Company intends to vigorously defend against these allegations. The Company is unable at this time to predict the outcome of this litigation.

On November 6, 2003, Enron Corporation commenced a proceeding in the United States Bankruptcy Court for the Southern District of New York. On December 1, 2003, Enron filed an amended complaint to add the Company as a defendant in such proceeding. The amended complaint alleges that transfers made by Enron in satisfaction of obligations it had under commercial paper are recoverable as preferential transfers and fraudulent transfers and are subject to avoidance under the United States Bankruptcy Code. It is alleged that payments made in premature satisfaction of obligations under commercial paper totaling approximately $20 million are recoverable from J.P. Morgan Securities, Inc., Fleet Capital Markets, Fleet National Bank and/or the Company. The Company sold $20 million of Enron commercial paper to Fleet and did not enter into any direct transactions with Enron. The Company filed a motion to dismiss the adversary proceeding. The motion to dismiss was denied by order dated June 30, 2005. The Company intends to vigorously defend against these claims. Although the Company believes it has meritorious defenses to the asserted claims, it is unable at this time to predict the outcome of this proceeding.

The Company is currently under routine audit by the United States Internal Revenue Service (the “IRS”) for fiscal years 2001, 2002 and 2003. The audit has not been completed and the IRS has not issued a report on its audit.

The SEC is conducting an investigation into the Company’s granting of stock options from 1999 to 2003 to officers and directors. The Company believes that the SEC is also investigating the granting of stock options at other companies. Each year, the Company grants stock options to a broad base of employees (including officers and directors) and in some years those grants have occurred shortly before Analog’s issuance of favorable financial results. The SEC has requested information regarding Analog’s stock option grants, and the Company is cooperating with the SEC. The Company is unable to predict the outcome of this matter.

From time to time as a normal incidence of the nature of the Company’s business, various claims, charges and litigation are asserted or commenced against the Company arising from, or related to, contractual matters, patents, trademarks, personal injury, environmental matters, product liability, insurance coverage and personnel and employment disputes. As to such claims and litigation the Company can give no assurance that it will prevail.

The Company does not believe that any of these matters above will have a material adverse effect on the Company’s consolidated results of operations or financial position, although an adverse outcome of any of these matters is possible and could have a material adverse effect on the Company’s consolidated results of operations or cash flows in the quarter or annual period in which one or more of these matters are resolved.

Note 12 — Common Stock Repurchase

On August 12, 2004, the Company’s Board of Directors approved the repurchase of up to an aggregate of $500 million of common stock. On May 11, 2005, the Company’s Board of Directors amended the stock repurchase program by increasing the total amount of the Company’s common stock the Company can repurchase from $500 million to $1 billion of common stock. Under the repurchase program, the Company may repurchase outstanding shares of its common stock from time to time in the open market and through privately negotiated transactions. Unless terminated earlier by resolution of the Company’s Board of Directors, the repurchase program will expire when the Company has repurchased all shares authorized under the program. The Company made no purchases of shares of its common stock during the third quarter of fiscal 2005. The Company repurchased a total of 7.9 million shares for approximately $285 million during the first nine months of fiscal 2005. As of July 30, 2005, the Company had purchased 11.8 million shares of its common stock for approximately $421.8 million under this program. The repurchased shares are held as authorized but unissued shares of common stock.

Note 13 — Related Party Transactions

Certain of the Company’s directors are affiliated with companies that sell products to the Company. One of the Company’s directors, who has been a director since 1988, became a director of Taiwan Semiconductor Manufacturing Company, or TSMC, in fiscal 2002 and currently serves as a director. The Company purchased approximately $52 million and $100 million of products from TSMC during the three month periods ended July 30, 2005 and July 31, 2004, respectively, and $174 million and $259 million during the nine month periods ended July 30, 2005 and July 31, 2004, respectively. Approximately $25 million and $15 million was payable to TSMC as of July 30, 2005 and October 30, 2004, respectively. The Company anticipates that it will make significant purchases from TSMC in the remaining quarter of fiscal year 2005.

Note 14 — Income Taxes

On October 22, 2004, the American Jobs Creation Act of 2004 (“AJCA”) was signed into law. The AJCA created a temporary incentive for US multinational corporations to repatriate accumulated income abroad by providing an 85% dividends received deduction for certain dividends from controlled foreign corporations. In December 2004, the FASB issued Financial Staff

Position (FSP) No. FAS 109-2, *Accounting and Disclosure Guidance for the Foreign Earnings Repatriation Provision within the American Jobs Creation Act of* 2004 (FSP 109-2). FSP 109-2 is effective immediately and provides accounting and disclosure guidance for the repatriation provision. FSP 109-2 allows companies additional time to evaluate the effects of the law on its unremitted earnings for the purpose of applying the "indefinite reversal criteria" under APB 23, *Accounting for Income Taxes-Special Areas,* and requires explanatory disclosures from companies that have not yet completed the evaluation. On May 9, 2005, the Treasury issued Notice 2005-38, which clarified some of the new rules. The Company is currently evaluating the effects of the repatriation provision and their impact on the consolidated financial statements. The minimum amount of dividend distribution of foreign earnings that could potentially be subject to the provisions of the AJCA would be $0 and the maximum would be $1,055 million, which is the amount reported as indefinitely reinvested earnings on the Company's 2002 Annual Report on Form 10-K. The range of income tax expense on these amounts would be $0 to approximately $50 million.

Note 15 — Subsequent Events

On August 10, 2005, the Company's Board of Directors declared a cash dividend of $0.10 per outstanding share of common stock. The dividend will be paid on September 14, 2005 to all shareholders of record at the close of business on August 26, 2005.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This information should be read in conjunction with the unaudited condensed consolidated financial statements and related notes included in Item 1 of this Quarterly Report on Form 10-Q and the audited consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the fiscal year ended October 30, 2004.

This Quarterly Report on Form 10-Q, including the section entitled "Outlook," contains or incorporates forward-looking statements within the meaning of section 27A of the Securities Act of 1933 and section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which we operate and management's beliefs and assumptions. In addition, other written or oral statements that constitute forward-looking statements may be made by or on our behalf. Words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "estimate," variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. We have included important factors in the cautionary statements below under the heading "Factors That May Affect Future Results" that we believe could cause our actual results to differ materially from the forward-looking statements we make. We do not intend to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Results of Operations

Overview

	Three Months Ended		Nine Months Ended	
	July 30, 2005	July 31, 2004	July 30, 2005	July 31, 2004
Net Sales	$582,416	$717,793	$1,766,678	$2,001,676
Gross Margin %	58.1%	60.0%	57.7%	58.8%
Diluted EPS	$ 0.32	$ 0.43	$ 0.90	$ 1.11
Net Income	$121,404	$169,050	$ 346,446	$ 438,472
Net Income as a % of Sales	20.8%	23.6%	19.6%	21.9%

Sales

Net sales in the third quarter of fiscal 2005 declined by $135.4 million or 19% from the amount recorded in the third quarter of fiscal 2004 and declined by $235.0 million or 12% in the nine months ended July 30, 2005 from the nine months ended July 31, 2004. For both the three and nine month periods, the year-to-year decreases in net sales were primarily the result of decreases in orders for products used in communications applications due to continuing weakness in the wireless handset end markets and to a lesser extent, decreases in revenue from products used in automatic test equipment and computer applications.

Approximately 84% and 81% of our net sales were from analog products in the three and nine months ended July 30, 2005, respectively, as compared to 79% for each of the comparable periods of fiscal 2004. Approximately 16% and 19% of our net sales were from digital signal processing, or DSP, products in the three and nine months ended July 30, 2005, respectively, as compared to 21% for each of the comparable periods of fiscal 2004. Our analog product sales were lower by 15% and 9% in the three and nine months ended July 30, 2005, respectively, as compared to the same periods of fiscal 2004. Our DSP product sales were lower by 35% and 20% for the three and nine month periods ended July 30, 2005, respectively, from the comparable periods of fiscal 2004.

The percentage of sales by geographic region, based upon point of sale, for the three and nine month periods ended July 30, 2005 and July 31, 2004 is as follows:

	Three Months Ended		Nine Months Ended	
Region	**July 30, 2005**	**July 31, 2004**	**July 30, 2005**	**July 31, 2004**
North America	26%	25%	25%	24%
Europe	22%	19%	23%	19%
Japan	20%	19%	19%	20%
China	10%	16%	11%	15%
Rest of Asia	22%	21%	22%	22%

Net sales in dollars in the third quarter of fiscal 2005 compared to the third quarter of fiscal 2004 decreased in all geographic regions. The decrease in net sales in dollars for the nine months ended July 30, 2005 as compared to the same period of fiscal 2004 related to a decrease in sales in China, Japan, Rest of Asia and North America, partially offset by an increase in net sales in Europe.

Gross Margin

Gross margin declined in the third quarter of fiscal 2005 to 58.1% of net sales, down 190 basis points from the third quarter of fiscal 2004, when gross margin was 60.0% of net sales. For the first nine months of fiscal 2005, gross margin declined to 57.7% of net sales from 58.8% of net sales for the first nine months of fiscal 2004. For both the three and nine month periods ended July 30, 2005, the decline in gross margin was primarily the result of the effect of fixed costs allocated across lower levels of production and the mix of products we sold during those periods in fiscal 2005 as compared to fiscal 2004.

Research and Development

	Three Months Ended		Nine Months Ended	
	July 30, 2005	**July 31, 2004**	**July 30, 2005**	**July 31, 2004**
R&D Expenses	$119,217	$133,536	$373,393	$382,644
R&D Expenses as a % of Net Sales	20.5%	18.6%	21.1%	19.1%

Research and development, or R&D, expenses decreased $14.3 million or 11% in the third quarter of fiscal 2005 as compared to the third quarter of fiscal 2004. R&D expenses decreased $9.3 million or 2% in the first nine months of fiscal 2005 from the amount recorded in the comparable period of fiscal 2004. The decrease in R&D expenses for the three and nine month periods ended July 30, 2005 as compared to the same periods in fiscal year 2004 was the result of a tight control of expenses along with lower employee bonus expenses and licensing fees, partially offset by an increase in salary expenses. R&D expense as a percentage of net sales will fluctuate from quarter to quarter depending on the amount of net sales and the success of new product development efforts, which we view as critical to our future growth. At any point in time we have hundreds of R&D projects underway, and we believe that none of these projects is material on an individual basis. We expect to continue the development of innovative technologies and processes for new products, and we believe that a continued commitment to R&D is essential in order to maintain product leadership with our existing products and to provide innovative new product offerings. Therefore, we expect to continue to make significant R&D investments in the future.

Selling, Marketing, General and Administrative

	Three Months Ended		Nine Months Ended	
	July 30, 2005	July 31, 2004	July 30, 2005	July 31, 2004
SMG&A Expenses	$84,407	$89,162	$253,561	$253,682
SMG&A Expenses as a % of Net Sales	14.5%	12.4%	14.4%	12.7%

Selling, marketing, general and administrative, or SMG&A, expenses decreased $4.8 million or 5% in the third quarter of fiscal 2005 as compared to the third quarter of fiscal 2004. The decrease in SMG&A expenses in dollars in the three month period ended July 30, 2005 compared to the same period in the prior year was primarily the result of a tight control of expenses along with lower employee bonus expenses, partially offset by increased salary expenses. SMG&A expenses were relatively flat in the first nine months of fiscal 2005 from the amount recorded in the comparable period of fiscal 2004. This was the result of a decrease in expenses as a result of a tight control of expenses offset by increased salary expenses. These factors, combined with the decrease in net sales, were the reason for the increase in SMG&A as a percentage of sales in the three and nine month periods ended July 30, 2005 as compared to the same periods in the prior year.

Nonoperating Income

Interest income was $19.2 million and $50.4 million in the three and nine months ended July 30, 2005 compared to $9.6 million and $23.3 million in the same periods in the prior year. The increase in interest income was primarily attributable to higher interest rates during fiscal 2005 as compared to the comparable periods of fiscal 2004.

Provision for Income Taxes

Our effective tax rate reflects the applicable tax rate in effect in the various tax jurisdictions around the world where our income is earned. Our effective income tax rate was 21.8% for the nine months ended July 30, 2005 and 21.9% for the nine months ended July 31, 2004.

Net Income

	Three Months Ended		Nine Months Ended	
	July 30, 2005	July 31, 2004	July 30, 2005	July 31, 2004
Net Income	$121,404	$169,050	$346,446	$438,472
Net Income as a % of Net Sales	20.8%	23.6%	19.6%	21.9%
Diluted EPS	$ 0.32	$ 0.43	$ 0.90	$ 1.11

Net income in the third quarter of fiscal 2005 was lower than the third quarter of fiscal 2004 by approximately $47.6 million primarily as the result of the 19% decline in net sales between these periods. For the nine month period ended July 30, 2005, net income was lower than the same period in the prior year by approximately $92.0 million primarily as the result of the 12% decline in net sales between these periods.

Outlook

While it is difficult to forecast revenue in the semiconductor industry, we are currently planning for revenue in the fourth quarter of fiscal 2005 to be between 1% and 4% above the level recorded in the third quarter of fiscal 2005. If revenue is within this anticipated range, and depending on the mix of products sold, we expect gross margin as a percentage of net sales to slightly improve in the last quarter of fiscal 2005. We are planning for operating expenses in the fourth quarter of fiscal 2005 to be slightly higher than the level recorded in the third quarter of fiscal 2005. Based on these assumptions, our plan is for diluted EPS to be in the range of $0.32 to $0.34 for the fourth quarter of fiscal 2005.

Related Party Transactions

One of our directors, who has been a director since 1988, became a director of Taiwan Semiconductor Manufacturing Company, or TSMC, in fiscal 2002 and currently serves as a director. We purchased approximately $52 million and $100 million of products from TSMC during the three month periods ended July 30, 2005 and July 31, 2004, respectively, and $174 million and $259 million during the nine month periods ended July 30, 2005 and July 31, 2004, respectively. Approximately $25 million and $15 million was payable to TSMC as of July 30, 2005 and October 30, 2004. We anticipate that we will make significant purchases from TSMC in the remaining quarter of fiscal year 2005.

Liquidity and Capital Resources

At July 30, 2005, cash, cash equivalents and short-term investments totaled $2,784 million, a increase of $98.9 million from the fourth quarter of fiscal 2004. The primary sources of funds for the first nine months of fiscal 2005 were net cash generated from operating activities of $472.4 million and proceeds of $72.4 million from our various employee stock plans. The principal uses of funds for the first nine months of fiscal 2005 were the repurchase of $284.7 million of our common stock, dividend payments of $81.9 million, and capital expenditures of $64.4 million.

Accounts receivable of $296.1 million at the end of the third quarter of fiscal 2005 decreased $33.4 million, or 10.1%, from $329.5 million at the end of the fourth quarter of fiscal 2004. The decrease in accounts receivable in the third quarter of fiscal 2005 from the fourth quarter of fiscal 2004 was primarily the result of the decrease in net sales. Days sales outstanding at July 30, 2005 was 46, which was down from the 48 days at October 30, 2004.

Inventories decreased by $2.2 million, or 0.6%, from $345.9 million at the end of fiscal 2004, to $343.7 million at the end of the third quarter of fiscal 2005. Days cost of sales in inventory was 128 days at July 30, 2005 compared to 123 days at October 30, 2004.

Current liabilities decreased to $542.3 million at the end of the third quarter of fiscal 2005, a decrease of $24.7 million, or 4.4%, from the $567.0 million at the end of fiscal 2004. The decrease in current liabilities was primarily the result of a $30.9 million decrease in deferred income on shipments to distributors as a result of a reduction in inventory in the distribution channel, a $16.8 million decrease in accrued liabilities primarily as the result of a decrease in employee bonus accrual, and a $13.1 million decrease in accounts payable caused principally by a decrease in manufacturing spending and a decrease in capital expenditures. These decreases were partially offset by a $36.1 million increase to income taxes payable.

Net additions to property, plant and equipment were $64.4 million in the first nine months of fiscal 2005 and were funded with a combination of cash on hand and cash generated from operations. Fiscal 2005 capital expenditures are expected to be approximately $90 million to $100 million.

On August 10, 2005, our Board of Directors declared a cash dividend of $0.10 per outstanding share of our common stock. The dividend is payable on September 14, 2005 to shareholders of record on August 26, 2005 and is expected to be approximately $37 million. The payment of future dividends, if any, will be based on our future financial performance.

During the first nine months of fiscal 2005, we distributed $64 million from our amended and restated deferred compensation plan (the “Deferred Compensation Plan”) as a result of participant terminations or at the direction of the participants. This amount represented compensation and/or stock option gains previously deferred by those participants pursuant to the terms of our Deferred Compensation Plan. As a result of the adoption of certain provisions of the American Jobs Creation Act, participants have the opportunity until December 31, 2005, to elect to withdraw amounts previously deferred. As a result of withdrawals pursuant to elections under these provisions or upon termination, participants have withdrawn approximately $58 million of deferred compensation which was previously reflected in the “More than 5 Years” column of the contractual obligations table contained in the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of the Analog Devices Annual Report on Form 10-K for the fiscal year ended October 30, 2004.

At July 30, 2005, our principal source of liquidity was $2,784 million of cash and cash equivalents and short-term investments. We believe that our existing sources of liquidity and cash expected to be generated from future operations, together with anticipated available long-term financing, will be sufficient to fund operations, capital expenditures, research and development efforts, dividend payments and purchases of stock under our stock repurchase program for at least the next twelve months and thereafter for the foreseeable future.

New Accounting Pronouncements

Accounting Changes and Error Corrections

In May 2005, the FASB issued SFAS No. 154, *Accounting Changes and Error Corrections* (SFAS 154) which supersedes APB Opinion No. 20, *Accounting Changes* and SFAS No. 3, *Reporting Accounting Changes in Interim Financial Statements.* SFAS 154 provides guidance on the accounting for and reporting of accounting changes and error corrections. It establishes, unless impracticable, retrospective application as the required method for reporting a change in accounting principle in the absence of explicit transition requirements specific to the newly adopted accounting principle. The correction of an error in previously issued financial statements is not an accounting change. However, the reporting of an error correction involves adjustments to previously issued financial statements similar to those generally applicable to reporting an accounting change retroactively. Therefore, the reporting of a correction of an error by restating previously issued financial statements is also addressed by this Statement. SFAS 154 is effective for accounting changes and corrections of errors made in fiscal years beginning after December 15, 2005. We do not expect the adoption of SFAS 154 to have a material impact on our consolidated results of operations and financial condition.

Asset Retirements

In March 2005, the FASB issued FASB Interpretation No. 47 (FIN 47), *Accounting for Conditional Asset Retirement Obligations – an interpretation of FASB Statement No. 143.* FIN 47 clarifies that the term conditional asset retirement obligation as used in FASB Statement No. 143, *Accounting for Asset Retirement Obligations*, refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event that may or may not be within the control of the entity. The obligation to perform the asset retirement activity is unconditional even though uncertainty exists about the timing and (or) method of settlement. Uncertainty about the timing and (or) method of settlement of a conditional asset retirement obligation should be factored into the measurement of the liability when sufficient information exists. FIN 47 also clarifies when an entity would have sufficient information to reasonably estimate the fair value of an asset retirement obligation. FIN 47 is effective no later than the end of fiscal years ending after December 15, 2005. We are currently analyzing FIN 47 and believe the adoption of FIN 47 will not have a material impact on our financial condition, results of operations or liquidity.

Nonmonetary Assets

In December 2004, the FASB issued SFAS No. 153, *Exchanges of Nonmonetary Assets – an amendment of APB Opinion No. 29,* (SFAS 153). SFAS 153 is based on the principle that exchanges of nonmonetary assets should be measured based on the fair value of the assets exchanged. SFAS 153 eliminates the exception for nonmonetary exchanges of similar productive assets and replaces it with a general exception for exchanges of nonmonetary assets that do not have commercial substance. SFAS 153 is effective for nonmonetary asset exchanges in fiscal periods beginning after June 15, 2005. We are currently evaluating the provisions of SFAS 153 and do not believe that its adoption will have a material impact on our financial condition, results of operations or liquidity.

Inventory Costs

In November 2004, the FASB issued SFAS No. 151, *Inventory Costs, an amendment of Accounting Research Bulletin (ARB) No. 43, Chapter 4* (SFAS 151). SFAS 151 amends the guidance in ARB No 43, Chapter 4, “Inventory Pricing,” to clarify that abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage) should be recognized as current-period charges. In addition, SFAS 151 requires that allocation of fixed production overhead to the costs of conversion be based on the normal capacity of the production facilities. The provisions of SFAS 151 are effective for fiscal years beginning after June 15, 2005. We are currently evaluating the provisions of SFAS 151 and do not believe that its adoption will have a material impact on our financial condition, results of operations or liquidity.

Stock-Based Compensation

On December 16, 2004, the FASB issued SFAS 123 (revised 2004), *Share-Based Payment*, which is a revision of SFAS No. 123, *Accounting for Stock-Based Compensation* (SFAS 123(R)). SFAS 123(R) supersedes APB Opinion No. 25, *Accounting for Stock Issued to Employees*, and amends SFAS No. 95, *Statement of Cash Flows*. Generally, the approach in SFAS 123(R) is similar to the approach described in SFAS 123. However, SFAS 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values at the date of grant. Pro forma disclosure is no longer an alternative.

SFAS 123(R) permits public companies to adopt its requirements using one of two methods. A "modified prospective" method in which compensation cost is recognized beginning with the effective date (a) based on the requirements of SFAS 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of SFAS 123 for all awards granted to employees prior to the effective date of SFAS 123(R) that remain unvested on the effective date. A "modified retrospective" method includes the requirements of the modified prospective method described above, but also permits entities to restate their historical financial statements based on the amounts previously recognized under SFAS 123 for purposes of pro forma disclosures either (a) all prior periods presented or (b) prior interim periods of the year of adoption. We have yet to determine which method to use in adopting SFAS 123(R).

As permitted by SFAS 123, we currently account for share-based payments to employees using APB Opinion No. 25's intrinsic value method and, as such, generally recognize no compensation cost for employee stock options. Accordingly, the adoption of SFAS 123(R)'s fair value method will have a significant impact on our results of operations, although it will have no impact on our overall financial position. We are evaluating SFAS 123(R) and have not yet determined the amount of stock option expense that will be incurred in future periods.

On April 14, 2005, the Securities and Exchange Commission announced the adoption of a new rule that amends the compliance dates for FASB SFAS 123(R). The new rule allows companies to implement SFAS 123(R) at the beginning of their next fiscal year, instead of the next reporting period, that begins after June 15, 2005. We expect to adopt SFAS 123(R) beginning in fiscal year 2006 on October 30, 2005, our first fiscal quarter.

Critical Accounting Policies and Estimates

Management's discussion and analysis of the financial condition and results of operations is based upon the consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We base our estimates and judgments on historical experience, knowledge of current conditions and beliefs of what could occur in the future given available information. We consider the following accounting policies to be both those most important to the portrayal of our financial condition and those that require the most subjective judgment. If actual results differ significantly from management's estimates and projections, there could be a material effect on our financial statements. We also have other policies that we consider key accounting policies, such as our policy for revenue recognition, including the deferral of revenue on sales to distributors until the products are sold to the end user; however, the application of these policies does not require us to make estimates or judgments that are difficult or subjective.

Inventory Valuation

Inventories are valued at the lower of cost (first-in, first-out method) or market. Because of the cyclical nature of the semiconductor industry, changes in inventory levels, obsolescence of technology, and product life cycles, we write down inventories to net realizable value. We employ a variety of methodologies to determine the amount of inventory reserves necessary. While a portion of the reserve is determined via reference to the age of inventory and lower of cost or market calculations, an element of the reserve is subject to significant judgments made by us about future demand for our inventory. If actual demand for our products is less than our estimates, additional reserves for existing inventories may need to be recorded in future periods.

Allowance for Doubtful Accounts

We maintain allowances for doubtful accounts, when appropriate, for estimated losses resulting from the inability of our customers to make required payments. If the financial condition of our customers were to deteriorate, our actual losses may exceed our estimates, and additional allowances would be required.

Long-Lived Assets

We review property, plant, and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of assets may not be recoverable. Recoverability of these assets is measured by comparison of their carrying value to future undiscounted cash flows the assets are expected to generate over their remaining economic life. If such assets are considered to be impaired, the impairment to be recognized in earnings equals the amount by which the carrying value of the assets exceeds their fair market value determined by either a quoted market price, if any, or a value determined by utilizing a discounted cash flow technique. Although we have recognized no material impairment adjustments related to our property, plant, and equipment during the past three fiscal years, except those made in conjunction with restructuring actions, deterioration in our business in the future could lead to such impairment adjustments in future periods. Evaluation of impairment of long-lived assets requires estimates of future operating results that are used in the preparation of the expected future undiscounted cash flow analyses. Actual future operating results and the remaining economic lives of our long-lived assets could differ from the estimates used in assessing the recoverability of these assets. These differences could result in impairment charges, which could have a material adverse impact on our results of operations.

Goodwill

In accordance with Statement of Financial Accounting Standards No. 142, or FAS 142, *Goodwill and Other Intangible Assets,* we annually assess goodwill for impairment, or earlier if indicators of potential impairment exist and suggest that the carrying value of goodwill may not be recoverable. Because we have one reporting segment under FAS 142, we utilize the entity-wide approach to assess goodwill for impairment and compare our market value to our net book value to determine if an impairment exists. These assessments may result in impairment losses that could have a material adverse impact on our results of operations.

Accounting for Income Taxes

We account for income taxes in accordance with Statement of Financial Accounting Standards No. 109, or FAS 109, *Accounting for Income Taxes*, which requires that deferred tax assets and liabilities be recognized using enacted tax rates for the effect of temporary differences between the book and tax bases of recorded assets and liabilities. FAS 109 also requires that deferred tax assets be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized. We evaluate the realizability of our deferred tax assets quarterly. At July 30, 2005, we had gross deferred tax assets of $141 million primarily resulting from temporary differences between the book and tax bases of assets and liabilities. We have conducted an assessment of the likelihood of realization of those deferred tax assets and concluded that a $33 million valuation allowance is needed to reserve the amount of the deferred tax assets that may not be realized due to the expiration of state credit carryovers. In reaching our conclusion, we evaluated certain relevant criteria including the existence of deferred tax liabilities that can be used to absorb deferred tax assets, the taxable income in prior carryback years that can be used to absorb net operating losses and taxable income in future years. Our judgments regarding future profitability may change due to future market conditions, changes in U.S. or international tax laws and other factors. These changes, if any, may require material adjustments to these deferred tax assets, resulting in a reduction in net income or an increase in net loss in the period such determinations are made.

In addition, we have provided for potential liabilities due in various jurisdictions. Judgment is required in determining our worldwide income tax expense provision. In the ordinary course of global business, there are many transactions and calculations where the ultimate tax outcome is uncertain. Some of these uncertainties arise as a consequence of cost reimbursement arrangements among related entities. Although we believe our estimates are reasonable, no assurance can be given that the final tax outcome of these matters will not be different than that which is reflected in our historical income tax provisions and accruals. Such differences could have a material impact on our income tax provision and operating results in the period such determinations are made.

Contingencies

From time to time, we receive notices that our products or manufacturing processes may be infringing the patent or intellectual property rights of others. We periodically assess each matter to determine if a contingent liability should be recorded in accordance with Statement of Financial Accounting Standards No. 5, or FAS 5, *Accounting for Contingencies*. In making this determination, we may, depending on the nature of the matter, consult with internal and external legal counsel and technical experts. Based on the information we obtain, combined with our judgment regarding all the facts and circumstances of each matter, we determine whether it is probable that a contingent loss may be incurred and whether the amount of such loss can be reasonably estimated. Should a loss be probable and reasonably capable of being estimated, we record a contingent loss in accordance with FAS 5. In determining the amount of a contingent loss, we consider advice received from experts in the specific matter, current status of legal proceedings, settlement negotiations that may be ongoing, prior case history and other factors. Should the judgments and estimates made by us be incorrect, we may need to record additional contingent losses that could materially adversely impact our results of operations. See Note 11 to our Consolidated Financial Statements contained in Item 1 of this Quarterly Report on Form 10-Q.

Factors That May Affect Future Results

Our future operating results are difficult to predict and may materially fluctuate.

Our future operating results are difficult to predict and may be materially affected by a number of factors, including the timing of new product announcements or introductions by us or our competitors, competitive pricing pressures, fluctuations in manufacturing yields, adequate availability of wafers and manufacturing capacity, the risk that our backlog could decline significantly, our ability to hire, retain and motivate adequate numbers of engineers and other qualified employees to meet the demands of our customers, changes in product mix, and the effect of adverse changes in economic conditions in the United States and international markets. In addition, the semiconductor market has historically been cyclical and subject to significant economic downturns. Our business is subject to rapid technological changes and there can be no assurance, depending on the mix of future business, that products stocked in inventory will not be rendered obsolete before we ship them. As a result of these and other factors, there can be no assurance that we will not experience material fluctuations in future operating results on a quarterly or annual basis.

Long-term contracts are not typical for us and reductions, cancelations or delays in orders for our products could adversely affect our operating results.

In certain markets where end-user demand may be particularly volatile and difficult to predict, some customers place orders that require us to manufacture product and have it available for shipment, even though the customer is unwilling to make a binding commitment to purchase all, or even any, of the product. At any given time, this situation could affect a portion of our backlog. As a result, we are subject to the risk of cancelation of orders leading to a sharp fall-off of sales and backlog. Further, those orders may be for products that meet the customer’s unique requirements so that those canceled orders would, in addition, result in an inventory of unsaleable products, resulting in potential inventory write-offs. As a result of lengthy manufacturing cycles for certain of the products subject to these uncertainties, the amount of unsaleable product could be substantial. Reductions, cancelations or delays in orders for our products could adversely affect our operating results.

Our future success depends upon our ability to develop and market new products and enter new markets.

Our success significantly depends on our continued ability to develop and market new products. There can be no assurance that we will be able to develop and introduce new products in a timely manner or that new products, if developed, will achieve market acceptance. In addition, our growth is dependent on our continued ability to penetrate new markets where we have limited experience and competition is intense. There can be no assurance that the markets we serve will grow in the future, that our existing and new products will meet the requirements of these markets, that our products will achieve customer acceptance in these markets, that competitors will not force prices to an unacceptably low level or take market share from us, or that we can achieve or maintain profits in these markets. Furthermore, a decline in demand in one or several of our end-user markets could have a material adverse effect on the demand for our products and our results of operations. Also, some of our customers in these markets are less established, which could subject us to increased credit risk.

We may not be able to compete successfully in the semiconductor industry in the future.

Many other companies offer products that compete with our products. Some have greater financial, manufacturing, technical and marketing resources than we have. Additionally, some formerly independent competitors have been purchased by larger companies. Our competitors also include emerging companies selling specialized products to markets we serve. There can be no assurance that we will be able to compete successfully in the future against existing or new competitors, or that our operating results will not be adversely affected by increased price competition.

We rely on third-party subcontractors and manufacturers for some industry-standard wafers and assembly/test services, and therefore cannot control their availability or conditions of supply.

We rely, and plan to continue to rely, on assembly and test subcontractors and on third-party wafer fabricators to supply most of our wafers that can be manufactured using industry-standard submicron processes. This reliance involves several risks, including reduced control over delivery schedules, manufacturing yields and costs. Additionally, we utilize third-party wafer fabricators as sole-source suppliers, primarily Taiwan Semiconductor Manufacturing Company. These suppliers manufacture components in accordance with our proprietary designs and specifications. We have no written supply agreements with these sole-source suppliers and purchase our custom components through individual purchase orders. If these sole-source suppliers are unable or unwilling to manufacture and deliver sufficient quantities of components to us, on the time schedule and of the quality that we require, we may be forced to seek to engage additional or replacement suppliers, which could result in additional expenses and delays in product development or shipment of product to our customers.

We may not be able to satisfy increasing demand for our products, and increased production may lead to overcapacity and lower prices.

The cyclical nature of the semiconductor industry has resulted in sustained and short-term periods when demand for our products has increased or decreased rapidly. During these periods of rapid increases in demand, our available capacity may not be sufficient to satisfy the available demand. We, and the semiconductor industry generally, expand production facilities and access to third-party foundries in response to these periods of increased demand. These capacity expansions by us and other semiconductor manufacturers could lead to overcapacity in our target markets, which could lead to price erosion that would adversely impact our operating results.

Our revenue may not increase enough to offset the expense of additional capacity.

We, and the semiconductor industry generally, expand production facilities and access to third-party foundries in response to periods of increased demand which can cause operating expenses to increase. Should customer demand fail to increase or should the semiconductor industry enter a period of reduced customer demand, our financial position and results of operations could be adversely impacted as a result of underutilization of capacity or asset impairment charges.

We may be unable to adequately protect our proprietary rights, which may limit our ability to compete effectively.

We rely primarily upon know-how, rather than on patents, to develop and maintain our competitive position. There can be no assurance that others will not develop or patent similar technology or reverse engineer our products or that the confidentiality agreements upon which we rely will be adequate to protect our interests. Other companies have obtained patents covering a variety of semiconductor designs and processes, and we might be required to obtain licenses under some of these patents or be precluded from making and selling the infringing products, if such patents are found to be valid. There can be no assurance that we would be able to obtain licenses, if required, upon commercially reasonable terms, or at all. Moreover, the laws of foreign countries in which we design, manufacture and market our products may afford little or no effective protection of our proprietary technology.

We are involved in frequent litigation regarding intellectual property rights, which could be costly to defend and could require us to redesign products or pay significant royalties.

There can be no assurance that any patent will issue on pending applications or that any patent issued will provide substantive protection for the technology or product covered by it. We believe that patent and mask set protection is of less significance in our business than experience, innovation and management skill. There also can be no assurance that others will not develop or patent similar technology, or reverse engineer our products, or that our confidentiality agreements with employees, consultants, silicon foundries and other suppliers and vendors will be adequate to protect our interests.

The semiconductor industry is characterized by frequent claims and litigation involving patent and other intellectual property rights, including claims arising under our contractual indemnification of our customers. We have received from time to time, and may receive in the future, claims from third parties asserting that our products or processes infringe their patents or other intellectual property rights. In the event a third party makes a valid intellectual property claim against us and a license is not available to us on commercially reasonable terms, or at all, we could be forced either to redesign or to stop production of products incorporating that intellectual property, and our operating results could be materially and adversely affected. Litigation may be necessary to enforce our patents or other of our intellectual property rights or to defend us against claims of infringement, and this litigation could be costly and divert the attention of our key personnel. See Note 11 in the Notes to our Consolidated Financial Statements contained in Item 1 of this Quarterly Report on Form 10-Q for information concerning pending litigation that involves us. An adverse outcome in this or other litigation could have a material adverse effect on our consolidated financial position or on our consolidated results of operations or cash flows in the period in which the litigation is resolved.

If we do not retain our key personnel, our ability to execute our business strategy will be limited.

Our success depends to a significant extent upon the continued service of our executive officers and key management and technical personnel, particularly our experienced engineers, and on our ability to continue to attract, retain, and motivate qualified personnel. The competition for these employees is intense. The loss of the services of one or more of our key personnel could have a material adverse effect on our operating results. In addition, there could be a material adverse effect on us should the turnover rates for engineers and other key personnel increase significantly or if we are unable to continue to attract qualified personnel. We do not maintain any key person life insurance policy on any of our officers or employees.

We rely on manufacturing capacity located in geologically unstable areas, which could affect the availability of supplies and services.

We, and many companies in the semiconductor industry, rely on internal manufacturing capacity located in California as well as wafer fabrication foundries in Taiwan and other sub-contractors in geologically unstable locations around the world. This reliance involves risks associated with the impact of earthquakes on us and the semiconductor industry, including temporary loss of capacity, availability and cost of key raw materials and equipment and availability of key services including transport. Any prolonged inability to utilize one of our manufacturing facilities as a result of fire, natural disaster, unavailability of electric power or otherwise, would have a material adverse effect on our results of operations and financial condition.

We are exposed to economic, political and other risks through our significant worldwide operations.

During the first nine months of fiscal 2005, approximately 75% of our revenues were derived from customers in international markets. Although we engage in hedging transactions to reduce our exposure to currency exchange rate fluctuations, there can be no assurance that our competitive position will not be adversely affected by changes in the exchange rate of the United States dollar against other currencies. Potential interest rate increases, particularly in the United States and China, as well as high energy costs could have an adverse impact on industrial and consumer spending patterns and could adversely impact demand for our products. We have manufacturing facilities outside the United States in Ireland and the Philippines. In addition to being exposed to the ongoing economic cycles in the semiconductor industry, we are also subject to the economic and political risks inherent in international operations and their impact on the United States economy in general, including the risks associated with ongoing uncertainties and political and economic instability in many countries around the world as well as the economic disruption from acts of terrorism, and the response to them by the United States and its allies. These risks include air transportation disruptions, expropriation, currency controls, currency exchange rate movement, and additional costs related to tax, tariff and freight rate increases.

Our future operating results are dependent on the performance of independent distributors and sales representatives.

A significant portion of our sales are through independent distributors that are not under our control. These independent distributors generally represent product lines offered by several companies and thus could reduce their sales efforts applied to our products or terminate their representation of us. We generally do not require letters of credit from our distributors and are not protected against accounts receivable default or bankruptcy by these distributors. Our inability to collect open accounts receivable could adversely affect our results of operations. Termination of a significant distributor, whether at our initiative or the distributor's initiative, could disrupt our current business. If we are unable to find suitable replacements in the event of terminations by significant distributors or sales representatives, our operating results could be adversely affected.

Our manufacturing processes are highly complex and may be interrupted.

We have manufacturing processes that utilize a substantial amount of technology as the fabrication of integrated circuits is a highly complex and precise process. Minute impurities, contaminants in the manufacturing environment, difficulties in the fabrication process, defects in the masks used in the wafer manufacturing process, manufacturing equipment failures, wafer breakage or other factors can cause a substantial percentage of wafers to be rejected or numerous dice on each wafer to be nonfunctional. While we have significant expertise in semiconductor manufacturing, it is possible that some processes could become unstable. This instability could result in manufacturing delays and product shortages, which could have a material adverse effect on our financial position or results of operations.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in the information provided under ITEM 7A. “Qualitative and Quantitative Disclosures about Market Risk” set forth on pages 29-30 of our Annual Report on Form 10-K for the year ended October 30, 2004.

ITEM 4. Controls and Procedures

(a) *Evaluation of Disclosure Controls and Procedures*. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of Analog’s disclosure controls and procedures as of July 30, 2005. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of July 30, 2005, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

(b) *Changes in Internal Controls.* No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act) occurred during the third quarter ended July 30, 2005 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. Legal Proceedings

On June 14, 2005, Biax Corporation filed its first amended complaint for patent infringement in the United States District Court for the Eastern District of Texas against Analog Devices, Inc. and Intel Corporation, alleging that we infringed three patents owned by Biax relating to parallel processors. Prior to the filing of the first amended complaint, we were unaware of Biax or this action. The first amended complaint seeks injunctive relief, unspecified damages, as well as its costs, expenses and fees. On August 3, 2005, we filed an answer and counterclaimed against Biax. In the counterclaim, we seek rulings that the patents are not infringed, are invalid and are unenforceable. The case has not yet entered the discovery phase. We intend to vigorously defend against these allegations. We are unable at this time to predict the outcome of this litigation.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

During the quarter ended July 30, 2005, we did not repurchase any shares of our common stock or any other equity securities that are registered by us pursuant to section 12 of the Exchange Act. Since the start of our share repurchase program, publicly announced on August 12, 2004 and amended on May 11, 2005, we have repurchased shares for an aggregate purchase price of $462,780,187 pursuant to this plan. We are currently authorized to repurchase shares for an additional $537,219,813 under this plan. Unless earlier terminated by resolution of our Board of Directors, the repurchase program will expire when we have repurchased all shares authorized under the program.

ITEM 6. Exhibits

(a) Exhibits

The exhibits listed in the Exhibit Index immediately preceding the exhibits are filed as part of this Quarterly Report on Form 10-Q and such Exhibit Index is incorporated herein by reference.

Items 3, 4 and 5 of PART II are not applicable and have been omitted.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		ANALOG DEVICES, INC.
Date: August 17, 2005	By:	/s/ Jerald G. Fishman Jerald G. Fishman President and Chief Executive Officer (Principal Executive Officer)
Date: August 17, 2005	By:	/s/ Joseph E. McDonough Joseph E. McDonough Vice President-Finance and Chief Financial Officer (Principal Financial and Accounting Officer)

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Exhibit Index

Exhibit No.	Description
31.1	Certification Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
31.2	Certification Pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).
32.1	Certification Pursuant to 18 U.S.C. Section 1350 (Chief Executive Officer).
32.2	Certification Pursuant to 18 U.S.C. Section 1350 (Chief Financial Officer).

Exhibit 31.1

CERTIFICATION

I, Jerald G. Fishman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Analog Devices, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Not Applicable];

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 17, 2005

/s/ Jerald G. Fishman

Jerald G. Fishman
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Joseph E. McDonough, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Analog Devices, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Not Applicable]

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 17, 2005

/s/ Joseph E. McDonough

Joseph E. McDonough
Vice President-Finance
and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Analog Devices, Inc. (the "Company") for the period ended July 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jerald G. Fishman, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 17, 2005

/s/ Jerald G. Fishman

Jerald G. Fishman
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Analog Devices, Inc. (the "Company") for the period ended July 30, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Joseph E. McDonough, Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 17, 2005

/s/ Joseph E. McDonough

Joseph E. McDonough
Chief Financial Officer